

TITLE 67  
STATE GOVERNMENT AND STATE AFFAIRS

CHAPTER 35  
STATE BUDGET

67-3501. BUDGET FUNCTION. The governor shall be the chief budget officer of the state whose duty it shall be to carry out the provisions of this chapter. The division of financial management shall have such duties as may be prescribed by law, and such other duties as may be designated by the governor. No increase in compensation paid to any employee of the state of Idaho, except officers and employees of the legislative and judicial departments, shall be effective until approved by the administrator of the division of financial management; provided, however, that any decision of the administrator of the division may be rejected and changed by the state board of examiners.

[(67-3501) 1929, ch. 206, sec. 1, p. 400; I.C.A., sec. 65-3401; am. 1955, ch. 232, sec. 1, p. 506; am. 1973, ch. 300, sec. 1, p. 633; am. 1974, ch. 22, sec. 26, p. 592; am. 1980, ch. 358, sec. 9, p. 927; am. 1981, ch. 227, sec. 1, p. 451.]

67-3501A. CHAPTER PROVISIONS -- ADMINISTRATION. The provisions of this chapter shall be administered in accordance with article II, section 1, of the constitution of the state of Idaho, which divides the powers of the government of this state into three (3) distinct departments, the legislative, the executive, and the judicial.

[67-3501A, added 1981, ch. 227, sec. 2, p. 452.]

67-3502. FORMAT AND PREPARATION OF ANNUAL BUDGET REQUESTS. In the preparation of a state budget, the administrator of the division of financial management shall, not later than the fifteenth day of July, have available for all departments, offices and institutions of the state government forms necessary to prepare budget requests. Such forms, whether in electronic or written format, shall be developed by the administrator of the division and the legislative services office to provide the following information:

(1) For the preceding fiscal year, each of the entities listed above shall report all funds available to them regardless of source, including legislative appropriations, and their expenditures by fund and object of all sums received from all sources, segregated as provided for on the forms.

(2) For the current fiscal year, each of the entities listed above shall report their estimates of all funds available to them regardless of source, including legislative appropriations, and their estimated expenditures by fund and object of all sums received from all sources, segregated as provided for on the forms, including a statement of the purposes for which anticipated funds are expected to be expended.

(3) An estimate of appropriations needed for the succeeding fiscal year, showing each primary program or major objective as a separate item of the request and itemized by object code.

(4) A report concerning the condition and management of programs, program performance, and progress toward accomplishing program objectives.

(5) A report that discloses any known future reductions or eliminations of federal funds reported to the division of financial management under section [67-1910](#), Idaho Code, and the agency's plan for operating if there is a reduction of ten percent (10%) or more in the federal funds that the state agency receives.

The completed forms shall, not later than the first day of September, except with special permission and agreement of the administrator of the division of financial management and the director of the legislative services office, be filed in the office of the administrator of the division of financial management and the legislative services office. The legislative and judicial departments and the department of administration's division of public works shall, as early as practicable and in any event no later than the fifteenth day of November, prepare and file in the office of the governor and the legislative services office upon the forms described in this section a report of all of the information required in this section. The judicial department shall include in its filing the budget request of the judicial council as submitted by the judicial council.

[67-3502, added 1995, ch. 153, sec. 2, p. 621; am. 1999, ch. 37, sec. 2, p. 74; am. 2011, ch. 13, sec. 2, p. 41; am. 2015, ch. 307, sec. 3, p. 1210; am. 2020, ch. 61, sec. 1, p. 144.]

67-3504. DUTIES OF ADMINISTRATOR OF THE DIVISION. (1) It shall be the duty of the administrator of the division of financial management to make such further inquiries and investigations as to any item included in any report of expenditures and available funding sources or the estimate for the succeeding fiscal year which may be included in the report and estimates furnished by any department, office or institution, except those of the legislative and judicial departments. In making such investigation he shall be allowed his necessary expenses of travel and subsistence in visiting any institution or department in the state. He may employ additional resources whenever in his discretion it may be necessary to check the items of expenditure or the estimates submitted by any department, office or institution. The administrator of the division shall serve as a clearinghouse for information, data for multi-agency projects not including requests made by the legislative and judicial departments and shall have power to demand and it is hereby made the duty of every department, officer, board, commission, or institution receiving appropriations from the legislature to furnish upon demand any and all information so requested by the administrator of the division.

(2) The administrator of the division, in addition to the duties hereinbefore set forth, shall perform such other duties as the governor as chief budget officer of the state may direct. He shall, as often as required by the governor, prepare and furnish reports as to the condition of any appropriations made by the legislature and shall investigate and report to the governor, when required, concerning available funding from all sources and expenditures made by any department, office or institution of the state. The administrator of the division, or his designated representative, shall also appear at all sessions of the standing committees of the house of representatives and of the senate in charge of appropriations and shall furnish to such committees any information required while said committees are considering the budget.

[(67-3504) 1929, ch. 206, sec. 5, p. 400; I.C.A., sec. 65-3405; am. 1955, ch. 232 sec. 4, p. 506; am 1963, ch. 225 sec. 2, p. 633; am. 1967, ch. 424, sec 2, p. 1238; am. 1970, ch. 66, sec. 3, p. 154; am. 1973, ch. 300, sec. 3, p. 633; am. 1974, ch. 22, sec. 29, p. 592; am. 1980, ch. 358, sec. 12, p. 929; am. 1981, ch. 227, sec. 4, p. 452; am. 1995, ch. 153, sec. 3, p. 622.]

67-3505. BUDGET INFORMATION SUBMITTED TO GOVERNOR. The administrator of the division shall, on or before the 20th day of November next succeeding, prepare and submit to the governor, or to the governor-elect if there is one, information for the development of the executive budget as designated in section [67-3502](#), Idaho Code, including the requests of the legislative and judicial departments as submitted by those departments.

[67-3505, added 1995, ch. 153, sec. 4, p. 622; am. 1999, ch. 37, sec. 3, p. 75.]

67-3506. GOVERNOR TO TRANSMIT BUDGET DOCUMENT. Not later than five (5) days following the convening of each regular legislative session, the governor shall transmit to the legislature a budget document setting forth his financial plan for the next fiscal year, and having the character and scope set forth. The budget document shall consist of four (4) parts, the nature and contents of which are set forth in section [67-3507](#), Idaho Code. The requests of the legislative and judicial departments shall be transmitted as submitted by those departments.

[67-3506, added 1973, ch. 300, sec. 5, p. 633; am. 1981, ch. 227, sec. 6, p. 454; am. 1995, ch. 153, sec. 5, p. 622; am. 2015, ch. 307, sec. 4, p. 1210.]

67-3507. EXECUTIVE BUDGET. The executive budget document shall consist of the following four (4) parts:

(1) Part I of the executive budget document shall consist of a budget message by the governor that shall outline the financial plan of the executive department of the state government for the next fiscal year, describing the important features of the financial plan.

(2) Part II of the budget document shall present in detail for the next fiscal year, as minimum information to be included in Part II, items showing: estimates of agency needs based on the governor's recommendations, to meet the expenditure needs of the state from all available funds classified by agencies and showing the cost of each major program. Part II shall also set forth the governor's recommendations for the capital program. All funds, including federal and local funds and interagency receipts received for any purpose, shall be accounted for in the budget.

(3) Part III of the budget document shall consist of the annual performance plans required in section [67-1904](#), Idaho Code.

(4) Part IV of the budget document shall consist of the federal funding reports required under section [67-1917](#), Idaho Code, and the disclosures required under section [67-3502](#) (5), Idaho Code.

[67-3507, added 1973, ch. 300, sec. 7, p. 633; am. 1993, ch. 168, sec. 2, p. 428; am. 1994, ch. 109, sec. 1, p. 242; am. 1995, ch. 153, sec. 6, p. 623; am. 2005, ch. 339, sec. 7, p. 1060; am. 2015, ch. 307, sec. 5, p. 1211.]

67-3508. EXPENDITURE OBJECT CODES. (1) Excepting where the legislature expressly departs from the classification set forth in any appropriation bill, all appropriations made by the legislature, and all estimates hereafter made for budget purposes, and all expenditures made from appropriations or funds received from other sources, shall be classified and standardized by items as follows:

(a) Personnel costs, which shall include the salaries or wage expenses of employees and officers, whether full-time, part-time, or other irregular or seasonal help and including compensation or honorarium of members of boards or commissions, and shall also include the employer's share of contributions related to other benefits provided to those employees and officers.

(b) Operating expenditures, which shall include all expenses for services, travel, consumable supplies, and minor items of equipment not otherwise classified under personnel costs, capital outlay, or trustee and benefit payments.

(c) Capital outlay, which, when used in an appropriation act, shall include all expenditures for land, highways, buildings including appurtenances, fixtures and fixed equipment, structures, which also includes additions, replacements, major repairs, and renovations to, which materially extends the capital assets' useful life or materially improves or increases its capacity, and shall include compensation for independent contractors. Automobiles, domestic animals, machinery, apparatus, equipment and furniture including additions thereto, that will meet the state controller's fiscal policy for inventoriable capital assets, shall also be included.

(d) Trustee and benefit payments, which shall include the cash payments of welfare or retirement benefits to individuals and payments to individuals, persons, or political entities, and not otherwise classified under personnel costs, operating expenditures or capital outlay.

(2) The state controller is hereby authorized and directed to implement such subclassifications of the standard classifications herein set forth which are necessary for preparation of the state budget, as supplied by the administrator of the division of financial management and the legislative services office.

An annual review of the subclassifications shall be made by the administrator of the division and the legislative services office.

The state controller shall be supplied the changes desired by the administrator and the legislative services office in the subclassifications which are necessary for the preparation of the state budget or the identification and distribution of expenditures from appropriations no later than sixty (60) days prior to the beginning of any fiscal year to be effective for that fiscal year.

[67-3508, added I.C., sec. 67-3508, as added by 1973, ch. 301, sec. 2, p. 639; am. 1974, ch. 22, sec. 31, p. 592; am. 1980, ch. 358, sec. 13, p. 929; am. 1981, ch. 236, sec. 1, p. 476; am. 1984, ch. 1, sec. 4, p. 4; am. 1993, ch. 327, sec. 33, p. 1222; am. 1994, ch. 180, sec. 203, p. 548; am. 1995, ch. 153, sec. 7, p. 623; am. 1996, ch. 159, sec. 21, p. 524; am. 2020, ch. 28, sec. 1, p. 62.]

67-3509. TIME WHEN APPROPRIATION AVAILABLE. When an appropriation shall be made without restrictions as to the time of its use, it shall be available for expenditure for the purposes and to the amount therein stated,

from the first day of July of the year during which such appropriation is made to and including the thirtieth day of June of the year following.

[(67-3509) 1929, ch. 206, sec. 9, p. 400; I.C.A., sec. 65-3409; am. 1941, ch. 74, sec. 1, p. 141; am. 1970, ch. 66, sec. 6, p. 154.]

67-3510. EXPENDITURE OBJECT CODES MADE TO CONFORM. All object codes used in appropriations shall be made to conform to those set forth in section [67-3508](#), Idaho Code. All expenditures made from said appropriations shall be classified in conformity with the standard object codes. The state controller shall use the standard object codes in the classification of all expenditures drawn against any and all appropriations made by the Idaho legislature.

[(67-3510) 1929, ch. 206, sec. 10, p. 400; I.C.A., sec. 65-3410; am. 1994, ch. 180, sec. 204, p. 549; am. 1995, ch. 153, sec. 8, p. 624.]

67-3511. TRANSFER OF LEGISLATIVE APPROPRIATIONS. (1) No appropriations made by the Idaho legislature may be transferred from one object code to another except with the consent of the state board of examiners upon application duly made by the head of any department, office or institution of the state (including the elected officers in the executive department and the state board of education). No appropriation made for expenses other than personnel costs shall be expended for personnel costs of the particular department, office or institution for which it is appropriated, provided however, that employee suggestion awards made pursuant to sections [59-1603](#) and [67-5309D](#), Idaho Code, may be made from the object code in which the savings were realized.

(2) Legislative appropriations may be transferred from one program to another within an agency upon application duly made by the head of any department, office or institution of the state and approval of the application by the administrator of the division of financial management and the board of examiners provided the requested transfer is not more than ten percent (10%) cumulative change from the appropriated amount for any program affected by the transfer. Requests for transfers above ten percent (10%) cumulative change must, in addition to the above, be approved by legislative appropriation. Legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the legislature.

(3) All moneys appropriated to any agency of the state of Idaho for the purpose of capital outlay shall be used for that purpose and not for any other purpose.

(4) The joint finance-appropriations committee may limit the amount of legislative appropriations for personnel costs which can be transferred to other object codes.

[(67-3511) 1929, ch. 206, sec. 11, p. 400; I.C.A., sec. 65-3411; am. 1973, ch. 302, sec. 2, p. 641; am. 1974, ch. 22, sec. 32, p. 592; am. 1980, ch. 358, sec. 14, p. 931; am. 1981, ch. 227, sec. 7, p. 454; am. 1983, ch. 84, sec. 2, p. 175; am. 1995, ch. 153, sec. 9, p. 625; am. 2006, ch. 380, sec. 6, p. 1180.]

67-3512. REDUCTION OF LEGISLATIVE APPROPRIATIONS. Any legislative appropriation made for any department, office or institution of the state may be reduced in amount by the state board of examiners upon investigation and

report of the administrator of the division of financial management; provided, that before such reduction is ordered the head of such department, office or institution shall be allowed a hearing before said state board of examiners and may at such hearing present such evidence as he may see fit. No reduction of legislative appropriations made to executive department agencies shall be made without hearing unless and until the head of such department, office or institution shall file his consent in writing thereto. No reduction of legislative appropriations for the elected officers in the executive department shall be made to a level which prohibits the discharge of constitutional duties. No reduction of legislative appropriations for the legislative and judicial departments shall be made without the permission in writing of the head of such department.

[(67-3512) 1929, ch. 206, sec. 12, p. 400; I.C.A., sec. 65-3412; am. 1973, ch. 300, sec. 8, p. 633; am. 1974, ch. 22, sec. 33, p. 592; am. 1980, ch. 358, sec. 15, p. 931; am. 1981. ch. 227, sec. 8, p. 454; am. 1995, ch. 153, sec. 10, p. 625.]

67-3512A. TEMPORARY REDUCTION OF SPENDING AUTHORITY. Whenever the governor as chief budget officer of the state may determine that the expenditures authorized by the legislature for the current fiscal year shall exceed anticipated moneys available to meet those expenditures, the governor by executive order may reduce the spending authority on file in the office of the state controller for any department, office or institution of the state; provided, that no reduction of spending authority for the elected officers in the executive department shall be made to a level which prohibits the discharge of constitutional duties and provided that no reduction of spending authority for the legislative and judicial departments shall be made without the permission in writing of the head of such department. The head of any executive department, office or institution of the state may appeal the temporary reduction of spending authority to the state board of examiners, and the state board of examiners may, after hearing and consideration of evidence, restore said spending authority to its original level or to such lesser level as may be required to assist the state in maintaining a balanced budget. The governor may not temporarily reduce spending authority to a level lower than that required to insure that state expenditures do not exceed revenues. A temporary reduction of spending authority pursuant to this section shall not result in a reduction of appropriation. The governor at any time by executive order may restore spending authority which has been temporarily reduced to its original level.

[67-3512A, added 1981, ch. 227, sec. 9, p. 455; am. 1994, ch. 180, sec. 205, p. 549; am. 1995, ch. 153, sec. 11, p. 626.]

67-3513. COMMITTEES OF LEGISLATURE TO CONSIDER BUDGET. (1) The standing committees of the house of representatives and of the senate in charge of appropriation measures shall sit jointly in open sessions while considering the budget. Such committee may resolve itself into executive session upon the vote of two-thirds (2/3) of the membership of the committee, at which time persons who are not members of the legislature may be excluded; provided, however, that during such executive session, no votes or any official action may be taken. The administrator of the division of financial management or his designated representative shall attend all meetings of the joint committee and shall present to the committee the recommendations of the gov-

error for amounts to be appropriated for each department, office and institution, including the elective officers and the state board of education, such presentation to include all information necessary to substantiate the recommendations of the governor. The joint committee at its discretion may cause the attendance of heads or responsible representatives of said departments, offices and institutions. The joint committee may increase or decrease items in the budget as it may deem to be in the interests of greater economy and efficiency in the public service.

(2) By not later than January 15 of each year, the administrator of the division of financial management shall report to the joint committee the following minimal information:

(a) A list by department, by program, and by funding source of all permanent positions authorized as of January 1 of that year and the current salary established for each position as of January 1 of that year; the list shall also designate which of the listed positions were vacant as of January 1, and the date such position became vacant.

(b) A list by department, by program, and by funding source of the amounts needed to fund the state employee compensation changes being recommended by the governor, which list must be prepared to show the individual cost of each component of the compensation changes.

(c) A report that compiles and summarizes the information the division of financial management received in accordance with sections [67-1917](#) and [67-3502](#) (5), Idaho Code.

[67-3513, added 1929, ch. 206, sec. 13, p. 400; I.C.A., sec. 65-3413; am. 1967, ch. 424, sec. 3, p. 1238; am. 1971, ch. 285, sec. 1, p. 1099; am. 1973, ch. 300, sec. 9, p. 633; am. 1974, ch. 22, sec. 34, p. 592; am. 1980, ch. 358, sec. 16, p. 932; am. 1981, ch. 227, sec. 10, p. 455.; am. 2015, ch. 307, sec. 6, p. 1211.]

67-3514. APPROPRIATION BILLS TO BE PREPARED BY JOINT FINANCE-APPROPRIATIONS COMMITTEE. The joint committees of the legislature in charge of appropriation measures, after considering the budget requests required by section [67-3502](#), Idaho Code, and the executive budget as required by section [67-3506](#), Idaho Code, shall prepare and introduce appropriation bills covering the requirements of the various departments, offices and institutions of the state. In the case of any department, office or institution operating under a continuous appropriation, the joint committee may prepare and introduce appropriation bills covering the requirements for the administrative functions of such department, office or institution. The joint committee may, after examining the budget of any department, office or institution operating in part or in whole under a continuing appropriation or fund authorized by the legislature, prepare and introduce appropriation bills covering all the requirements of the respective department, office and institution.

[(67-3514) 1929, ch. 206, sec. 14, p. 400; I.C.A., sec. 65-3414; am. 1933, ch. 136, sec. 2, p. 212; am. 1939, ch. 237, sec. 2, p. 558; am. 1970, ch. 66, sec. 7, p. 154; am. 1995, ch. 153, sec. 12, p. 626; am. 1999, ch. 37, sec. 4, p. 75.]

67-3516. APPROPRIATION ACTS DEEMED FIXED BUDGETS -- RATE OF EXPENDITURE. (1) Appropriation acts when passed by the legislature of the state of Idaho, and spending authority made thereunder, whether the appropriation is

fixed or continuing, are fixed budgets beyond which state officers, departments, bureaus and institutions may not expend.

(2) Funds available to any agency from sources other than state funds, if not cognizable at the time when appropriations were made whether state fiscal liability is increased or not, must have prior approval of the administrator of the division of financial management and the board of examiners in order that funds may be expended, except those funds received under such conditions that preclude approval by the administrator of the division and/or the board of examiners. Receipts from the sale of capital outlay items and insurance claim settlements may, with the approval of the division of financial management, be included as an increase to an agency's appropriation and must be identified at an object code level. Expenditure of such receipts must be for capital outlay items, except in the case of a sale of a motor vehicle, which, notwithstanding section [67-3511](#) (3), Idaho Code, may be transferred to operating expenditures with the approval of the division of financial management.

(3) One state agency may bill another state agency for goods and services, provided the billing agency receives prior approval in writing from the billed agency or such billing is provided for by law. This process will be known as interagency billing to which the following rules will apply:

(a) The state controller will treat interagency receipts as revenue and not classify such revenue as a reduction of the expenditures of the receiving agency. Interagency billing credits for all funds shall be deposited to the appropriate fund of that agency.

(b) Interagency receipts may be expended by the collecting agency to the extent that authority to do so has been requested and approved by the legislature through an appropriation.

(c) The agency which is billed for the goods and services shall classify, treat and account for such expenses in the same manner as if such expenses had been paid by warrant and may encumber unexpended balances to liquidate known or anticipated interagency billing expenses at the end of a fiscal year. The state controller shall provide for the method of liquidation of these encumbrances.

(4) State agencies selling goods, products, and services to another state agency must use the interagency process detailed by subsection (3) of this section. State agencies, departments and institutions may sell goods, products, and services to the public and/or other political entities. These cash receipts may be expended according to the following rules:

(a) The state controller will classify these moneys as receipts.

(b) Receipts for all funds shall be deposited to the appropriate fund of that agency.

(c) The collecting agency may expend all such receipts only to the extent that authority to do so has been requested and approved by the legislature through an appropriation, except receipts received by agencies under the circumstances cited in subsection (2) of this section.

[67-3516, added 1941, ch. 75, sec. 1, p. 142; am. 1943, ch. 101, sec. 1, p. 195; am. 1970, ch. 66, sec. 8, p. 154; am. 1971, ch. 274, sec. 1, p. 1087; am. 1973, ch. 302, sec. 3, p. 641; am. 1974, ch. 22, sec. 35, p. 592; am. 1977, ch. 99, sec. 1, p. 207; am. 1980, ch. 358, sec. 17, p. 932; am. 1980, ch. 360, sec. 1, p. 936; am. 1983, ch. 84, sec. 1, p. 174; am. 1994, ch. 180, sec. 206, p. 549; am. 1995, ch. 153, sec. 13, p. 627; am. 2020, ch. 92, sec. 1, p. 243.]



67-3517. REQUESTS FOR SPENDING AUTHORITY BY OFFICIALS, DEPARTMENTS, BUREAUS AND INSTITUTIONS. In order to guard against excessive expenditure of appropriations, and as an act of economy, efficiency and control relating to said appropriations, it is hereby made the duty of each officer, department, bureau and institution, except the legislative and judicial departments, to file with the administrator of the division of financial management, who shall forward to the state controller, a request for spending authority of funds to be made available during the fiscal year, from the legislative appropriation to said officer, department, bureau or institution. Requests for spending authority shall be submitted to the administrator of the division at a time as prescribed by the administrator of the division, and as a general rule, in the same detail as appropriated, unless greater detail is deemed necessary by the administrator of the division. The legislative and judicial departments shall file a request for spending authority of funds with the state controller not later than fifteen (15) days prior to the expiration of the current spending authority, in such detail as the submitting agency desires. It shall be the duty of the state controller to provide a monthly report in the same or greater detail as the request for spending authority, which includes any adjustments made during the course of the fiscal year, expenditures for the month and expenditures to date for the year, and the percent of unexpended balance in the adjusted spending authority, and the percent of unexpended balance in the adjusted appropriation, if any.

[67-3517, added 1941, ch. 75, sec. 2, p. 142; am. 1970, ch. 66, sec. 9, p. 154; am. 1971, ch. 274, sec. 2, p. 1087; am. 1973, ch. 302, sec. 4, p. 641; am. 1974, ch. 22, sec. 36, p. 592; am. 1980, ch. 358, sec. 18, p. 933; am. 1981, ch. 227, sec. 11, p. 456; am. 1984, ch. 137, sec. 1, p. 326; am. 1994, ch. 180, sec. 207, p. 551; am. 1995, ch. 153, sec. 14, p. 628.]

67-3518. INVESTIGATION OF REQUESTS BY ADMINISTRATOR. It is the duty of the administrator of the division of financial management to investigate such requests, to act upon said requests, make the necessary additions or reductions based upon necessary requirements within the amount appropriated, and deliver the same, to the state controller not later than fifteen (15) days prior to the expiration of the current spending authority.

[67-3518, added 1941, ch. 75, sec. 3, p. 142; am. 1973, ch. 300, sec. 10, p. 633; am. 1974, ch. 22, sec. 37, p. 592; am. 1980, ch. 358, sec. 19, p. 934; am. 1994, ch. 180, sec. 208, p. 551; am. 1995, ch. 153, sec. 15, p. 629.]

67-3519. EMPLOYEE POSITIONS -- PROCEDURE FOR FILLING. (1) In addition to any powers, duties, functions and responsibilities of the division of financial management expressed elsewhere in this code, the division shall establish a list of employee positions for which funds are available from the spending authority of appropriated funds to each appointing authority. A position is defined as a specific job normally held by one (1) employee. This list shall contain the title of each position and the pay grade of the position. No appointing authority, except those in the legislative and judicial departments, shall fill a new position without first obtaining the approval of the division and then obtaining proper classification from the personnel commission for positions in the classified service. No appointing authority, except those in the legislative and judicial departments, may increase the pay grade of a position by reclassification or any other means without

the approval of the personnel commission for pay grade level and without the approval of the division for sufficiency of spending authority of the appointing authority to meet the proposed change. Appointing authorities in preparation of budget requests shall include exact position control numbers in justification of salaries and other compensation and must assign position control numbers to proposed new positions prior to budget submission. A list of additions, deletions and changes during the first six (6) months of the current fiscal year and projections for the second six (6) months of the current fiscal year of the positions so controlled shall be furnished by the department to the legislature and to the governor on January 1. Any authority vested in any appointing authority or agency, commission, department, board, office or institution is limited by the provisions of this section.

(2) Positions which have been authorized by the division of financial management, but which have not been filled by the appointing authority within twelve (12) months of such authorization, shall be declared null and void, and shall not be filled except upon a new authorization by the division of financial management.

[67-3519, added I.C., sec. 67-3519, as added by 1974, ch. 22, sec. 38, p. 592; am. 1981, ch. 227, sec. 12, p. 456; am. 1992, ch. 274, sec. 1, p. 847; am. 1995, ch. 153, sec. 16, p. 629.]

67-3521. ENCUMBERING APPROPRIATIONS OR EXCESSIVE EXPENDITURES FORBIDDEN -- ENCUMBRANCES TO REVERT -- APPROVAL. (1) No officer, department, bureau or institution, shall encumber any appropriations or be allowed to make any expenditures from appropriations in excess of the spending authority provided by this act.

(2) Encumbrances shall be reported as reductions against appropriations in anticipation of an object coded expenditure, shall be made only for a legally contracted obligation or for the accrued cost of a specific product or service due and payable prior to or as of the end of the current fiscal year or for the term of the contract obligation, and shall not be used as a means of reserving a portion of the appropriation of one (1) fiscal year to be used in combination with the appropriation of the following year. Requests for encumbrances shall be accompanied by proper identification of the accrued cost which must be adequately covered by appropriated funds from the current fiscal year.

(3) Encumbrances not liquidated by payment of the accrued cost during the succeeding fiscal year shall revert to the fund from which encumbered, unless approved for extension by the administrator of the division of financial management.

(4) Requests for encumbrances must have the approval of the administrator of the division of financial management.

(5) Notwithstanding any of the above, all purchase orders issued by the state purchasing agent, or purchase orders issued pursuant to a delegation of purchasing authority to specified state officers and employees, shall be encumbered, and such encumbrance shall not require the approval of the administrator of the division of financial management.

(6) When purchase requisitions are submitted by agencies prior to the state purchasing agent's fiscal year-end cutoff date, but not processed either due to workload or bid requirements, agencies may submit a request for encumbrance to the administrator of the division of financial management.

(7) The provisions of this section shall not apply to encumbrances involving vocational educational or professional-technical reimbursements

to educational institutions or to encumbrances involving contracts for the construction of highways, bridges, buildings or other primary structures or capital improvements.

[67-3521, added 1941, ch. 75, sec. 6, p. 142; am. 1972, ch. 261, sec. 1, p. 653; am. 1977, ch. 242, sec. 1, p. 719; am. 1980, ch. 358, sec. 21, p. 934; am. 1981, ch. 95, sec. 1, p. 135; am. 1995, ch. 153, sec. 17, p. 629; am. 1999, ch. 329, sec. 26, p. 865.]

67-3531. ANNUAL STATEWIDE INDIRECT COST ALLOCATION PLAN. (1) The division of financial management shall develop an annual statewide indirect cost allocation plan in accordance with 2 CFR 225 et seq. The central service costs of the various central service agencies shall be allocated annually to the recipient state agencies, and such central service costs shall be included in an agency's indirect cost plans for the purpose of determining an indirect cost rate with the cognizant federal agency, and shall be included in an agency's federal grant application.

(2) In conjunction with the respective state service agency, the division of financial management shall prepare an estimate of costs for state budgeting purposes for services provided by the attorney general, the state treasurer and the state controller. The division of financial management shall notify all state agencies of these cost estimates for the next fiscal year on or before November 1. The division of financial management and the legislative services office shall allow state agencies to modify their budget requests in response to such estimates.

(3) The division of financial management shall assess each recipient agency up to one hundred percent (100%) of the amounts allocated in the statewide cost allocation plan. Amounts so assessed shall be separately accounted for and can be expended only after legislative appropriation.

[67-3531, added 1982, ch. 222, sec. 1, p. 597; am. 1995, ch. 153, sec. 18, p. 630; am. 2001, ch. 61, sec. 8, p. 118; am. 2015, ch. 244, sec. 54, p. 1036.]

67-3532. TECHNOLOGY INFRASTRUCTURE STABILIZATION FUND. (1) There is hereby created in the state treasury the technology infrastructure stabilization fund. The fund shall consist of moneys that may be provided by legislative appropriation. The state treasurer shall invest the idle moneys of the fund, and the interest earned on such investments shall be retained by the fund.

(2) Subject to appropriation by the legislature, moneys in the technology infrastructure stabilization fund shall be used solely for:

(a) Technology projects requested, recommended, or funded through the annual state budget process pursuant to this chapter including, but not limited to, software development and computer hardware or equipment; and

(b) The legislative services office to evaluate and provide analysis and recommendations regarding the requirements, merit, necessity, cost, compatibility, and monitoring of technology projects that may be requested, recommended, or funded through the annual state budget process pursuant to this chapter, as well as other state technology projects, needs, or issues.

[67-3532, added 2018, ch. 58, sec. 1, p. 145.]